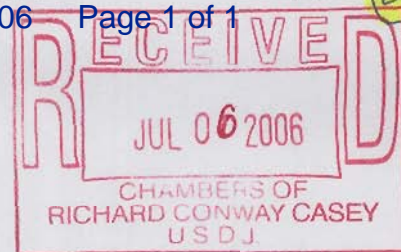


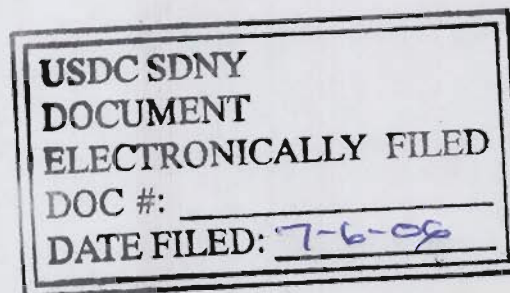
Evan R. Daniels  
11420 Chaucer Drive  
Frisco Texas 75035  
214-705-1581 (Home)  
214-705-1582 (Fax)

MEMO ENDORSED



July 5, 2006

The Honorable Richard Conway Casey  
United States District Court Judge  
United States Court House  
500 Pearl Street  
New York, NY 10007



Re: Merit Capital Group, LLC vs. Trio Industries Management, LLC, et al.  
Case No. 04 CTV 7690 (RCC)

Dear Judge Casey:

I am in receipt of a letter on today's date from opposing counsel requesting a continuance for the status conference currently scheduled for Friday July 7, 2006. The request for a continuance is premised on two assumptions. First, Mr. Lackowitz is optimistic that a settlement can be reached with my co-defendants. While my experience belies such faith, I am willing to support optimism wherever I can find it. However, Mr. Lackowitz may have forgotten that the concerns expressed in my motions are substantive issues of liability, obligation and contract formation. These issues are separate and distinct from the issue of what, if any sum, might be paid by my co-defendants to the Plaintiff. My indigence makes the issue of monetary payment from me academic.

The discussion of my substantive concerns did not occur in mediation. I certainly would not oppose an effort to discuss those concerns and my role in settlement, independently from my co-defendants. However, I must currently oppose re-scheduling the conference because the pre-hearing conference on the Interlocutory Summary Judgment will clarify many issues that relate to the ultimate settlement.

In a telephone conversation yesterday with Mr. Frydman, I did confirm that no further discussions had been held, nor had further progress been made in the settlement of this matter. This could support the supposition that any objection to the pre-conference hearing is motivated by a desire to delay the proceedings; rather than to seek further opportunities for settlement.

I am therefore requesting that the pre-hearing conference go forward as scheduled.

Respectfully submitted,

Evan R. Daniels  
Pro Se

Cc: David S. Frydman & Robert S. Wolf

Application denied. The status/  
premotion conference is  
hereby rescheduled to Friday,  
August 4, 2006 at 10:30 AM  
(EST). So ordered.

*Richard Conway Casey*  
July 6, 2006